



# Committee On Finance

Max Baucus, Ranking Member

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## NEWS RELEASE

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### **Baucus Concerned about “Dual-Eligibles” Access to Needed Medicines**

*GAO Finds Potential Problems with CMS’ “fail-safe mechanism”*

(WASHINGTON, DC) – U.S. Senator Max Baucus (D-Mont.), ranking Democrat on the Senate Finance Committee, expressed concern today about the Centers for Medicare and Medicaid Services’ (CMS) plans to transition dual-eligibles’ drug coverage from Medicaid to Medicare. Citing new findings from the Government Accountability Office (GAO), Baucus said that CMS’ plans to move dual-eligibles’ drug coverage from Medicaid to Medicare are lacking, and rely too much on the voluntary efforts of States, drug plan sponsors and pharmacists. Baucus asked GAO to conduct the study in July 2005, and GAO provided him preliminary findings from a forthcoming report.

Baucus said, “The implementation of Medicare’s new prescription drug benefit is critical for the roughly 6 million Americans who are eligible for Medicare and Medicaid. These are some of the most vulnerable among us. CMS asserts it has a ‘fail-safe mechanism’ to guarantee that dual-eligibles do not lose access to their medicines. But after learning of GAO’s findings, I am not convinced that CMS’ transition plans are sufficient.”

According to the GAO, if CMS fails to enroll dual-eligibles in Part D plans, pharmacists will have to contact the plans to get these individuals covered. If CMS makes a mistake and doesn't enroll a dual-eligible into a plan by January 1, they will rely on pharmacists to access special enrollment databases. But these databases may not be available at every pharmacy. CMS also suggests States should prepare for this transition by giving individuals an extended supply of drugs at the end of the year to cover gaps, but CMS will not adjust States ‘clawback’ payments to account for the extra spending. As a result, few states are planning to offer extended supplies.

“We need to protect these folks from losing access to their medicines,” Baucus said. “We need assurances that CMS has a plan in place to guarantee that no one falls through the cracks. And according to GAO, we don’t have those assurances yet.”

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